

# SUNSTATE ASSOCIATION MANAGEMENT GROUP, INC.

5602 Marquesas Circle #103 Sarasota, FL 34233

This **MANAGEMENT AGREEMENT** ("Agreement") is made and entered into between **University Place Neighborhood Association, Inc.** ("Association"), a Florida non-profit corporation, and **Sunstate Association Management Group, Inc.** (Agent) a State of Florida based, Corporation, whose Florida office is located at 5602 Marquesas Circle, Suite 103, Sarasota, FL 34233, this 1st day of April 2019.

## 1. DEFINITIONS.

"**Applicable Association Statute**" shall mean and refer to Chapter 720 Florida Statutes.

"**Assessments**" shall mean (i) any charge, which the Association may impose against an Owner, including any late charges, interest and costs of collecting the charges, and (ii) any fines, fees, and other charges, which may be imposed by the Association pursuant to the Applicable Association Statute.

"**Association Documents**" shall refer to the collection of governing documents for the association that include the covenants, conditions and restrictions (CC&Rs), articles of incorporation, bylaws, rules and regulations and any duly authorized and executed amendments to the aforementioned documents.

"**Board**" means the Board of Directors designated in the Declaration to act on behalf of the Association.

"**Common Elements**" or "**Common Areas**" means those areas, improvements, amenities and facilities of the Project owned, managed or maintained by the Association or by the units' Owners, as the case may be, as such Common Elements are specifically defined in the Declaration/CC&Rs.

"**Community Manager**" means a person who possesses a valid and current CAM license and provides for or otherwise engages in the management of a common-interest community.

"**License**" means a Community Association Management (CAM) license for the management of a common-interest community issued by the Division of Business & Professional Resources pursuant to FS 468, Chapter VIII and Florida Administrative Code (FAC) 61.20.

"**Major component of the common elements**" means any component of the common elements, including, without limitation, any amenity, improvement, furnishing, fixture, finish, system, or equipment, that may, within 30 years after its original installation, require repair, replacement, or restoration in excess of routine annual maintenance which is included in the annual operating budget of the Association.

"**Management of a common-interest community**" means the physical, administrative or financial maintenance and management of a common-interest community, or the supervision of those activities, for a fee, commission or other valuable consideration.

"**Owner or Owners**" shall mean the persons or entities, which own units in the common-interest community and are members of the Association.

## 2. COMPLIANCE WITH FLORIDA STATUTES.

Agent confirms that the designated Community Association Manager and Agent each hold a current and valid Community Association Manager License as required by FS 468, Part VIII and FAC 61-20 to be authorized to manage associations that fall under the Applicable Association Statute. Agent further confirms that the Division of Florida Condominiums, Timeshares and Mobile Homes of the Florida Department of Business and Professional Regulation under FS 468, Chapter VIII issued certificate held by the designated Community Manager and that Agent shall comply in all respects with the Standards of Practice as set forth in FS 468, Chapter VIII and FAC 61-20.

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3. **AUTHORITY**

The Board of Directors of the Association ("Board"), pursuant to the Association Documents, has been granted the power and authority to contract for all services and maintenance functions on behalf of the Association.

4. **TERM OF THE AGREEMENT**

The Board appoints Agent exclusively to provide the services set forth in this Agreement and comply with terms of this Agreement for a period of one (1) year commencing on the 1<sup>st</sup> Day of April 2019. The Board allows the provisions of this management agreement to be automatically renewed after one year and every year thereafter, provided however, either party, as further explained by the terms outlined in Section 12 of this Agreement, may terminate this Agreement without cause with **30 days** prior written notice.

5. **AGENT'S COMPENSATION**

**Management Fees**

For management agent services rendered pursuant to this Agreement, Association shall pay Agent as follows: The Association shall pay Agent an inclusive management fee of \$2,400.00 per month. Agent shall invoice management fees at the beginning of each month. Invoices shall be due and payable upon receipt.

6. **AGENT SERVICES / SCOPE OF WORK**

Agent shall manage the Association property to the extent, for the period, and upon the terms of this Agreement. As a condition of this Agreement, the Agent shall be familiar with and have a clear understanding of the Association Documents upon signing this Agreement. Agent shall provide and/or attempt to provide services to the Board and its committees within its field of experience and/or competence. Under the direction of the Board, shall manage the Association and its property in accordance with the Association Documents, applicable federal, state and local laws, standards of practice set forth in FAC 61-20 and the Applicable Association Statute, and generally accepted industry standards.

Agent shall implement the Association's decisions and directives subject to the compensation schedule set forth in the written Agreement. However, Agent shall not be obligated to implement any decision (a) which is contrary to industry standards, applicable law or Association Documents; (b) in which the Agent has no expertise, knowledge or licenses; or (c) which would involve transactions or services which are not expressed in this Agreement.

The Association retains the primary responsibility of enforcing the provisions of its Association Documents

**A. Collection of Assessment, Late Fees, Fines, Special Assessments**

Agent shall collect (and give receipts for, if Board requests) all annual and other assessments and other monies that are due the Association with respect to the Association property. Agent shall have no authority or responsibility to collect delinquent assessments, or other charges, except that Agent shall: a) issue invoices for assessments, fines and special assessments in a timely manner; b) use its best efforts to collect all general and special assessments, fines, penalties, and late fees as they become due and payable; c) send notices to owners who are delinquent in paying assessments, fines, penalties, and special assessments; said notice shall inform owner a late fee is being levied and other information about delinquency the Board, applicable law and Association Documents may require in the notice; d) prepare a monthly delinquency report for the Board which informs the board accurately of the status of each delinquent account, in other words the report must inform the board as to the date a warning notice, late notice, notice of intent to lien, lien notice, notice of default, notice of sale, etc. was sent to the homeowner, as well as the date each lien and subsequent notice was filed; e) consistently carry out warning notice, notice of lien and lien procedures policy established by the Board, pursuant to the Association Documents and assess any fees for same to the owner; and f) coordinate with attorney or collections services to confirm that liens and subsequent notices are filed in a timely manner. The details for the corresponding non-routine charges are outlined in Appendix A.

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## B. Statements and Records of Income, Expenditures, and Delinquency Reporting

Agent shall prepare and maintain records of all income and expenses relating to Association property. Agent shall deliver or mail to designated Board member(s) a monthly report on or before the 20<sup>th</sup> of each month, which include as a minimum, a) a current year-to-date financial statement; b) a current year-to-date schedule of revenues and expense for the Operating account and the Reserve account, compared to the budget for those accounts; c) a current reconciliation of the Operating account; d) a current reconciliation of the Reserve account; and e) the current status of any civil action or claim submitted to arbitration or mediation in which the association is a party. Prepare or cause to be prepared interim financial statements that will allow the Board of Directors, unit owners and the accountant or auditor to determine whether the financial position of the association is fairly presented in accordance with generally accepted accounting principles as set forth in the Common Interest Realty Associations – AICPA Audit and Accounting Guide. In addition, the Agent shall present all such receipts, invoices and billing statements related to Association expenses when presenting drafts for Board members' signatures.

## C. Annual Calendar

Agent shall prepare an Annual Calendar based on Board obligations as set forth in the Association Documents which shall include as applicable, but not be limited to: a) existing contract renewal dates; b) list of any additional service contracts that must be secured during the year; c) time frame for letting bids for each of said contracted services; d) deadlines for contracting said services; e) scheduling for adopting Annual Budget, (including the preparation of Association annual budget, Board approval of said budget and presentation of Association annual budget to Association Members for ratification); f) pursuant to the Association Documents and applicable law the proper noticing schedule for Board Meetings and Membership Meetings or special meetings of Association Members; g) scheduling for soliciting the financial statements or other documents required by the Applicable Association Statute and tax preparation proposals and turnover of financial records to Auditor or accountant and tax preparer in order to receive the required financial statements or other required documents in a timely manner and file taxes on time ; h) scheduling for Reserve Study; i) scheduling of required inspections of Common Areas pursuant to the Association Documents, maintenance schedules, and/or this Agreement, j) scheduling of soliciting bids and contracting for maintenance, repair and restoration of common area components as recommended in Reserve Study, k) scheduling of routine maintenance that is not contracted for on an annual basis nor performed on a monthly basis, for instance: scheduling of street cleaning, notifying landscape maintenance contractor to change watering schedule on a seasonal basis, notifying pool maintenance contractor to shut off gas to pool or spa.

## D. Association Roster

Agent shall make reasonable efforts to maintain a current roster of the primary Owner of Record, adult resident's name in each household, and the owner of the unit and both the primary resident's and owner's address, phone number. Agent shall maintain a current roster of contact information for other relevant contact person(s) for each Unit, such as property manager(s), and persons to contact in an emergency in accordance with the information supplied to Agent. The Agent shall not be obligated to discover proper mailing addresses nor transfers of ownership that are not reported directly to the Agent. It is the responsibility of each owner/resident to advise the Association and the Agent, in writing, of their current mailing address and applicable changes in their status.

## E. Meetings

(1) **Board of Directors Meetings:** Agent's designated employee or other representative of Agent shall attend twelve (12) meetings a year (not to exceed one Board or Committee meeting per month), per association, regular two (2) hour meeting (includes the Annual and Budget Meetings) of the Board upon request at no additional charge to the Association subject to the terms set forth in this Agreement. Should the Board require additional Board meetings; the Board and Agent would coordinate to schedule a mutually agreeable date and time for each additional meeting, not to exceed six (6) meetings in one calendar year. No additional charge by Agent shall be made if the monthly meeting is on a weekend. Agent shall:

(a) schedule all Board Meetings at the direction of the Board; and

(b) prepare draft Minutes of Board meetings and Action list for approval no later than one (1) week after the Board Meeting which the minutes pertain to and correct the minutes as directed by the Board Secretary prior to distributing in Board Meeting package; and

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(c) prepare a Board Meeting package to be mailed, emailed (or hand delivered) to each Board member so that the packet is in the possession of the Board Member **no less than THREE (3) business days prior to scheduled monthly Board meeting**. The Board Meeting package shall contain, as applicable, an Agenda, Financial and Delinquent Report pursuant to Section 6B, unless previously distributed, Board Minutes from the previous meeting for approval by the Board Secretary, Management Report/Action list, compliance inspection report(s), and copies of all proposals, contracts, reports and correspondence issued or received since the previous Board meeting that the Board requires be reviewed; and

(d) comply with member noticing requirements regarding Board Meetings and see to distribution of meeting notices and agendas; and

(e) be familiar with the Applicable Association Statute and the Association Documents and be able to advise the Board on matters relating to the Applicable Association Statute, and the Association Documents.

**(2) Organizational Meeting.** Agent shall attend Board meetings held for the purpose of election of Officers, pursuant to the Association Documents.

**(3) Membership Meetings:** Agent shall:

(a) schedule and mail all relevant notices and agendas for the annual, election, budget ratification, and special meetings in compliance with governing documents and relevant laws and at the direction of the Board; and

(b) prepare for Board's approval and upon approval, mail out candidacy forms for Board of Directors positions up for election; and

(c) prepare for Board's approval and upon approval, distribute to Members the Notice of Meeting, proxy form or Secret Ballot form as applicable, and Agenda; and

(d) arrange for and secure a meeting place that meets with Board approval; and

(e) coordinate sign-in of Members and collection and tracking of proxies or collection and tracking of secured Secret Ballots, as applicable, to ascertain if a quorum is present; and

(f) keep on file all proxies and Secret Ballots for each respective election or special meeting in a manner that will provide accurate documentation for that respective meeting, and

(g) prepare and present such reports as the Board directs; and

(h) oversee and properly advise the Board in the conduct of the election, including the nomination process and tabulation of voting results pursuant to the Association Documents and applicable law; and

(i) prepare minutes of the meeting and submit them for Board Secretary's approval prior to distributing minutes to the Board; and

(j) Maintain copies of sign-in sheets, proxies, and vote tallies and provide copies of it to Board Secretary, if so requested by the Board.

**(4) Additional Meeting charges paid to Agent** – The details for the corresponding non-routine charges are outlined in Appendix A.

**A. Compliance -- Architectural Requests / Association Documents / Maintenance of Common Elements**

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**(1) Architectural Requests – Agent shall:**

(a) Coordinate the receipt of all architectural and landscape requests and provide the same to the Board and/or Architectural Review Committee ("ARC") within two business days of receipt; and

(b) Prepare all correspondence as it relates to ARC control and maintain files of same; and

(c) Submit a detailed list of all known violations of the Association Documents and copies, or log, of follow-up enforcement correspondence on a monthly basis; and

(d) prepare in compliance with Association Documents, applicable law, and the direction of the Board, all warning letters, notices of non-compliance and hearing notifications; and

(e) Track time limitations as they apply to submittal and/or completion of landscape requests and installation; and architectural requests and installations, and apprise the Board of status of each Unit as to whether the Unit Owner is complying with their response time and installation requirements.

**(2) Association Documents -- Agent shall:**

Conduct weekly visits for visual observation and inspection of the community EACH MONTH to ensure compliance with the **Association Documents** and the proper upkeep of homes/units, common areas, and amenities. In particular, the Agent shall:

a) note in writing condition of homes/units, common areas and common amenities;

b) prepare a punch list of items that need to be corrected by each service provider and within twenty-four hours fax/e-mail punch list to the service provider with instructions to correct by the next inspection date all items that are not extras to the service providers contracts;

c) notify board in writing of all items that require correction, but will require board authorization prior to work orders being issued;

d) note in writing violations of **Association Documents** and Architectural Standards for specific homes/units; and

e) note in writing remedies of previously noticed violations.

The Agent shall bring to the Board's attention any deficiencies that are not corrected within the month or cannot be corrected within the scope of the management or service provider(s) contracts, and prepare an Association Documents History Report for the Board's review at their next scheduled Board meeting. Any additional inspections performed at the request of the Board of Directors will be charged a fee, as described in Appendix A.

**F. Customer Service.** The Agent agrees to:

(1) If applicable, provide, in addition to the Community Manager assigned to the Association, an Administrative Assistant representative for the Association who will be familiar with the property and have a working knowledge of services provided by the Association and the Agent. Said representative shall be available by phone from **8:30 AM to 4:30 PM** on normal business days and assist the Community Manager in handling all Member and resident problems related to the Association; and after hours will be directed to the CAMS cell phone, and all other times to a 24 hour answering service.

(2) Cause to be mailed to all new Members, after closing, a welcome letter outlining the responsibilities of the Member and the Association. Emphasis will be placed on Architectural Review guidelines and procedures, billing procedures, reporting violations, customer service requests, schedule of fines, and the role of the Community Manager for the Association, the name of the Agent responsible for the Association's management, the mailing address, phone and fax numbers for the Agent; and

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(3) Perform standard Administrative functions for the Board and Membership, and make available at the requesting Member's expense, copies of the Association Documents, other associations records; and

(a) Postage – Actual rates paid to Agent.

(b) Photocopying – .10 cents per copy. Items included are agendas, board packages, financials, newsletters, violation correspondence, day-to-day correspondence, vendor correspondence. (Items not included would be membership mailings, such as updates or amendments to Association Documents, special membership meeting notices, supplemental budget ratification documentation, and special notice flyers.) Photocopies are charged at \$0.10 cents each or if outsourced, the actual printing costs paid by the Association to the service provider.

(d) Facsimiles – Included

(e) Envelopes – At direct cost from printer to association.

(4) Complete and retain service request forms for all requests; and

(5) As requested, prepare a single page, one-sided, black & white newsletter for distribution to all Members. The Board or designated committee must write and approve the content and layout of the newsletter prior to distribution. All special project charges, photocopy and postage costs associated with the production and distribution of the newsletter will be paid for by the Association; and

(6) Maintain a 24-hour answering phone service and respond within one (1) hour to emergency calls.

## G. General Administrative Services

(1) Agent shall organize the records and documents it receives from Declarant and/or Association, or the Association's prior management company in accordance with accepted professional industry standards. The Agent will maintain all files, contracts, audits, reserve studies, financial records, membership records, and all other Association records in a neat and orderly fashion so that information can be accessed in a reasonably timely basis to facilitate meeting the obligations of the Association and its Board. Please see Appendix A for details on any applicable archival storage fees.

(2) Maintain appropriate records of insurance coverage carried by the Association and agree to cooperate fully with the Board in investigating and reporting all accidents and claims under said coverage. At the Board's direction, Agent will obtain bids for coverage, file all insurance claims on behalf of the Association, and supervise work done in common areas as it relates to insurance claims and recoveries; and

(3) Maintain and submit the **Annual Report** for the current list of Directors and Officers and Registered Agent of the Association to the Division of Corporations, and other such reporting as may be required by the State of Florida. All related Division and/or State fees will be budgeted for and paid by the Association.

(4) **Deposit** all monies collected on behalf of the Association in a bank or other financial institution whose deposits are insured by the federal government, or such other depository as directed by the Association in writing. The Operating and Reserve funds of the Association shall at all times, be maintained separate and apart from Agent's own funds and from the funds of any others. In compliance with the Association Documents, the Association's designees shall be the only parties authorized to draw upon such accounts, and/or in any event, one (1) authorized signature shall be required on all Operating Fund check drafts. Prior to checks being mailed to vendors, Sunstate asks that the two designated members; Treasurer and President approved an emailed check register. In no event, pursuant to the Association Documents, shall the Agent sign on Reserve Fund checks; and

(5) **Disburse all Operating funds of the Association**, including taxes, water and utility bills, Division of Corporations, State of Florida, Division of Florida Condominiums, Timeshares and Mobile Homes of the Florida Department of Business and Professional Regulation, and other governmental charges

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or obligations incurred by the Association with respect to the maintenance or operation of the property, or pursuant to the terms of the Agreement, or pursuant to other authority granted by the Board on behalf of the Association. Deposits of funds, disbursement of funds, check issuance and signatures shall be in compliance with the Association Documents; and

(6) Make every effort to confer with two (2) Board members regarding any transactions that could have a material effect on the Association.

(7) Financial statements prepared for and on behalf of the Association for annual financial reports required by the Applicable Association Statute shall be provided to the Board of at the end of each month for the preceding month.

(8) Have no obligation to advance funds to the Association for any purpose whatsoever.

## H. Other Services

(1) The Association shall pay Agent for all other service charges on a monthly basis. Agent shall invoice other services charges at the end of each month. Invoices shall be due and payable by the fifth day of receipt. Outlined in Appendix A are details for the non-routine charges associated with the initial start-up or transition of the association, as well as any special projects undertaken by the Agent at the direction of the Board.

## 7. AGENT INSURANCE AND INDEMNIFICATION

### A. Fidelity Bond

Agent shall present proof that Agent maintains a fidelity bond on all persons who control or disburse funds for the association, which may include but is not all inclusive of the Agent's employees and Association Board of Directors. The fidelity bond will be in an amount that will cover the maximum funds that will be in the custody of the association or the Agent at any one time. The cost of the association's fidelity bond will be incurred by the Association. The Agent shall provide the Association with certificates evidencing such bond or with duplicate copies of such bond within 30 days from the date of execution of this Agreement. Said policies shall provide that notice of default or cancellation shall be sent to the Association as well as the Agent and shall require a minimum of 30 days' written notice to Agent and Association before any cancellation of or changes to said policies.

### B. Worker's Compensation Insurance

Agent shall maintain a Worker's Compensation Insurance Policy covering Agent's employees, whether they are direct employees of the Agent or retained through an employee leasing company. The Agent shall provide the Association with certificates evidencing such insurance or with duplicate copies of such policies within 30 days from the date of execution of this Agreement. Said policies shall provide that notice of default or cancellation shall be sent to the Association as well as the Agent and shall require a minimum of 30 days' written notice to Agent and Association before any cancellation of or changes to said policies.

### C. Agent's Liability Insurance Policy

Agent shall maintain a liability insurance policy and general liability insurance policy for Agent and Agent's employees with a combined single limit of \$1,000,000 (one million dollars) of property and damage liability. The Agent shall provide the Association with certificates evidencing such insurance or with duplicate copies of such policies within 30 days from the date of execution of this Agreement. Said policies shall provide that notice of default or cancellation shall be sent to the Association as well as the Agent and shall require a minimum of 30 days' written notice to Agent and Association before any cancellation of or changes to said policies.

## 8. LIABILITY

### A. Agent Assumes No Liability

Agent assumes no liability whatsoever for any acts or omissions of the Board or the Association, or any previous Boards or current or previous owners of the Association property, or any previous management of other agent of either. Agent assumes no liability for any failure or default by any individual unit owner in the payment of any

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assessment or other charges due the Association or in the performance of any obligations owed by any individual unit owner to the Association, pursuant to any lease or otherwise. Agent likewise assumes no liability for any failure of or default by concessionaires in any rental or other payments to the Association. Nor does Agent assume any liability for previously unknown violations of environmental or other regulations, which may become known during the period this Agreement is in effect. Any such regulatory violations discovered by Agent shall be immediately brought to the attention of the Association in writing and the Association shall promptly cure them.

## 9. LIMITATION OF AGENT'S AUTHORITY AND RESPONSIBILITY

Agent's authority to act and responsibility for the property shall be subject to the limitations set forth below:

### A. Structural Changes

Agent shall have no authority to make any structural changes in the property or to make any other major alterations or additions in or to any building or equipment therein, except such emergency repairs as may be required because of danger to life or property or which are immediately necessary for the preservation and safety of the property or for the safety of the individual owners and occupants or which are required to avoid the suspension of any necessary service to the property.

### B. Building Compliance

Agent shall not be responsible for the compliance of the property or any of its equipment with the requirements of any building codes or with any statutes, ordinances, laws, rules or regulations (including those relating to the existence and disposal of solid, liquid, and gaseous wastes, and toxic or hazardous substances) of any city, county, state, or federal governments or agencies, or any public authority or official thereof having jurisdiction over it. HOWEVER, Agent shall immediately notify the Association in writing and forward to the Association any complaints, warnings, notices, or summonses received by Agent relating to such matters. The Association represents that to the best of its collective knowledge the property complies with all such requirements, and the Association authorizes Agent to disclose the ownership of the property to any such officials and agrees to indemnify and hold harmless of and from all loss, cost, expense, and liability whatsoever which may be imposed on them by reason of any present or future violation, or alleged violation of such laws, ordinances, rules, or regulations. PROVIDED that such loss, cost, expense or liability or violation, or alleged violation is not the direct result of Agent's act or Agent's failure to carry out a reasonable Board request for the Agent to cure (at the expense of the Association), provided further that said request of Agent does not exceed the Agent's responsibilities as set forth in this Agreement and has been delivered to Agent and documented in writing (written documentation shall include, but not be limited to, Board or Membership meeting minutes).

The Agent shall indemnify, defend and save the Board and Association harmless from all suits or other claims, including attorney's fees and costs, resulting from Agent's gross negligence or intentional misfeasance or malfeasance, where such gross negligence or intentional misconduct was unknown and/or unauthorized by the Board at the time of occurrence.

## 10. OBLIGATIONS OF THE ASSOCIATION

### A. For Approval of Annual Budget

In the month of September and/or 120 days prior to the end of Association's fiscal year, the Agent shall provide the Board with a draft of the Association's annual budget for the following year. The Agent shall prepare the draft of this annual budget by referencing reserve study and actuals of Association, if available, and projected increases in utilities and contracted services (should actuals of Association not reflect built out costs needed to operate and maintain the Association's obligations, then the Agent shall reference actuals of other associations with similar common elements) to estimate the funds necessary to provide for the administrative, maintenance and reserve funding needs of the association. Within thirty (30) days of receipt of the draft of this Annual Budget prepared by Agent, the Board shall provide Agent with written notice setting forth those items, if any, which are unacceptable to the Board or provide Agent with written notice advising Agent that additional information is required. The Agent shall prepare final draft of Annual Budget for following year within thirty days of Board's written notice. Upon Board approval of the Annual Budget, the Board shall present the Annual Budget to the Board of Directors for ratification, pursuant to the Association's governing documents and applicable law. Agent shall be authorized to operate and manage the Association in accordance with this approved Annual Budget.

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**B. For Liability Insurance:** The Association shall carry, at its own expense, all insurance required by the Association Documents, the Applicable Association statute, and such other insurance as may be necessary or appropriate for the Association as determined by its Board Of Directors. Such insurance policies shall name both the Association and Agent as insured, and their coverage shall be adequate to protect the interests of the property and both parties and in form, substance and amounts be reasonably satisfactory to the Agent. The Association shall provide the Agent with certificates evidencing such insurance or with duplicate copies of such policies within 30 days from the date of execution of this Agreement. Said policies shall provide that notice of default or cancellation shall be sent to Agent as well as to the Association and shall require a minimum of 30 days written notice to Agent and Association before any cancellation of or changes to said policies.

**C. Pay All Expenses of any Litigation**

The Association shall pay all expenses related to time and travel incurred by Agent should the Agent be required to represent or testify in behalf of the Association in any proceeding or suit involving any insurance claim, alleged violation by Association or the Board of any law or regulation of any governmental body pertaining to common interest communities, environmental protection, fair housing, or fair employment, including, but not limited to, any law prohibiting or making illegal discrimination on the basis of race, sex, creed, color, religion, national origin, family status, or mental or physical handicap. For more information, please refer to Appendix A for expense detail.

**D. Save Agent Harmless from Labor Law Violations**

The Association shall indemnify, defend and save Agent harmless from the Association's or Board's actions or failures to act, with respect to any alleged violation by the Board of state or federal labor laws. The Association's obligation with respect to such violation(s) shall include payment of all settlements, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, litigation expense and Attorneys' fees. **HOWEVER**, the Association shall not be responsible for any such fees or expenses incurred by Agent, including, but not limited to, Agent's costs and time, fines, penalties or the like, settlement amounts, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, litigation expense and Attorneys' fees in the event the Agent is finally adjudged or found to have personally or in a representative capacity which is not known by or which is not duly authorized by the Board at the time of its occurrence, violated any such law.

**E. Provide for Contingency Reserve**

Pursuant to the Association Documents, the Association agrees to maintain any Reserve accounts desired by the Board or required by the Applicable Association Statute at a federally insured financial institution in the name of the Association. Agent shall not be a signatory on the Reserve account. In addition, all Association operating funds shall be maintained at federally insured financial institutions in the name of the Association. All operating funds accounts shall require countersignatures of one (1) Board member.

**11. BOARD MEMBER DESIGNATED TO DEAL WITH AGENT**

The Board shall designate **only two of its members** who shall be authorized to deal with Agent on any matter relating to the management of the Association property. Agent shall not accept directions or instructions with regard to the management of the Association property from anyone else. In the absence of any other designation of the Board, the **President** of the Board shall be deemed to have this authority. The Board appoints **Vice President** as alternate should the President be unavailable. Agent may, but is not required to, submit any matter, direction, instruction or the like to the Board and shall then follow the direction of the Board. The foregoing notwithstanding, should, in the Agent's best judgment, the designated Board member, or the designated alternate direct the Agent to take action which the Agent considers to be in violation of: a) the Agent's responsibilities as described in this Agreement, b) the governing documents, or c) applicable laws and regulations, the Agent is obligated to submit the matter to the Board and shall then follow the direction of the Board. The foregoing notwithstanding, should, in the Agent's best judgment, the Board give a direction or adopt a policy or resolution which the Agent considers to be in violation of ; a) the Agent's responsibilities as described in this Agreement, b) the governing documents, or c) applicable laws and regulations, the Agent is obligated to submit the matter and the reasons the Agent considers there to be a violation(s) to the Board in writing and shall make all reasonable efforts to assist the Board in determining appropriate corrective actions.

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## 12. TERMINATION OF AGREEMENT

### A. Termination by Agent

Agent may terminate this Agreement without cause upon **THIRTY (30) days** written notice to Association. The effective date of termination shall be as stated in the written notice and Agent must deliver all Association records as required by Association Documents and applicable laws and regulations to the Board within THIRTY (30) days of the effective date of notice of termination. All of the Association records shall be delivered properly filed in file folders and/or binders, and **in an electronic file including but not limited to the Quickbooks back up of financials record keeping**, which are labeled as to the actual contents and which the Agent has maintained and delivered in appropriate alphabetical or chronological order; all records relevant to Association's financial reports shall be delivered properly filed in file folders and/or binders which the Agent has maintained and delivered in chronological order.

Agent may terminate this Agreement at any time in the event insurance required of Association is not maintained without any lapse. Agent shall also have the right to cancel this Agreement at any time in the event it is alleged or charged that the property or any equipment therein or any act or failure to act by the Board with respect to the property or sale, rental or other disposition thereof having or claiming to have jurisdiction over it, and Agent in its sole and absolute discretion considers that the action or position of the Board or the Association with respect hereto may result in damage liability to Agent, or disciplinary proceeding with respect to Agent's license. Agent shall deliver all Association records as required by the Association Documents and applicable laws and regulations, properly filed as stated herein, at the time the Agent provides written notice to the Association of Agent's election to terminate this Agreement with cause, in which case termination shall be effective upon the service of such notice and the simultaneous delivery of all Association records.

### B. Termination by Association

Association may terminate this Agreement without cause upon **THIRTY (30) days** written notice to Agent. Association shall pay any fees due to Agent through the effective date of the termination, when Agent has turned over all Association records (including, but not limited to, historical and current financial and delinquent reports), pursuant to Association Documents and applicable laws and regulations and as stated herein. All of the Association records shall be delivered by the Agent properly filed in file folders and/or binders, **in an electronic file including but not limited to the Quickbooks back up of financials record keeping**, which are labeled as to the actual contents and which the Agent has maintained and delivered in appropriate alphabetical or chronological order; and all records relevant to Association's financial reports shall be delivered properly filed in file folders and/or binders which the Agent has maintained and delivered in chronological order. The effective date of termination shall be as stated in the written notice and said Association records must be delivered to Board within THIRTY (30) days of effective date of notice of termination as stated herein.

If the Association chooses to terminate the contract with the first one hundred eighty (180) days, the entire fee for the annual contract will be due and payable in full by the Association upon separation.

Association may terminate this Agreement at any time in the event insurance and bonding required of Agent is not maintained without any lapse. Agent shall deliver all Association records as required by the Association Documents and applicable laws and regulations and as stated herein within THIRTY (30) days of the effective date of the notice to terminate, in which case termination shall be effective upon the service of such notice.

## 13. ASSOCIATION RESPONSIBLE FOR PAYMENTS

Upon termination of or withdrawal from this Agreement by either party, the Association shall assume the obligations of any contract or outstanding bill executed by Agent in compliance with Association Documents and under the terms of this Agreement for and on behalf of the Association and responsibility for payment of all unpaid bills.

## 14. RELATIONSHIP OF AGENT TO THE ASSOCIATION

The relationship of the parties to this Agreement shall be that of Principal and Agent, and all duties to be performed by Agent under this Agreement shall be for and on behalf of, in the name of, in the interest of, and for the account of the Association. In taking any action under this Agreement, Agent shall be acting only as Agent for the Association, and nothing in this Agreement shall be construed as creating a partnership, joint venture, or any other relationship between the parties to this Agreement except that of Principal and Agent, or as requiring

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# SUNSTATE ASSOCIATION MANAGEMENT GROUP, INC.

5602 Marquesas Circle #103 Sarasota, FL 34233

Agent to bear any portion of losses arising out of or connected with the ownership or operation of the property. Nor shall Agent at any time during the period of this Agreement be considered a direct employee of the Association. Neither party shall have the power to bind nor obligate the other except as expressly set forth in this Agreement.

## 15. DISPUTE RESOLUTION & ATTORNEYS FEES

If a dispute arises out of or relates to this Agreement, or the breach thereof, and if the dispute cannot be settled through direct discussions between the parties or between the parties and the Division of Florida Condominiums, Timeshares and Mobile Homes of the Florida Department of Business and Professional Regulation and/or Ombudsman, the parties agree to first settle the dispute in an amicable manner by mediation administered by the American Arbitration Association under its Commercial Mediation Rules, before resorting to arbitration. Thereafter, any unresolved dispute, controversy or claim arising out of or relating to this Agreement or the breach thereof shall be settled by binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment upon the Award rendered by the arbitrator may be entered into any court having jurisdiction thereof.

In the event of any disputes between the parties arising out of this Agreement, the prevailing party shall be allowed actual attorney fees and costs incurred in any arbitration, litigation or any appeal.

## 16. INDEMNIFICATION SURVIVES TERMINATION

All representations and warranties of the parties contained herein shall survive the termination of this Agreement. All provisions of this Agreement that require the Association to have insured or to defend, reimburse, or indemnify Agent shall survive the termination; and if Agent is or becomes involved in any proceeding or litigation by reason of having been the Association's Agent, such provisions shall apply as if this Agreement were still in effect, subject to the provisions in Sections 8 and 10 herein, and the Association Documents. All provisions of this agreement that require the Association to have insured or to defend, reimburse or indemnify Agent shall not be applicable in the case of any gross negligence or willful misconduct on the part of the agent

## 17. HEADINGS

All headings and subheadings employed within this Agreement are inserted only for convenience, ease of reference, and are not to be considered in the construction or interpretation of any provision of this Agreement.

## 18. FORCE MAJEURE

Any delays in the Agent's performance of any obligation under this Agreement shall be excused only in the event that such delays were caused by wars, national emergencies, natural disasters, strikes, labor disputes, utility failures, government regulations, riots, adverse weather conditions and other like causes not within the control or remedy of Agent and any time periods for performance shall be extended accordingly.

## 19. COMPLETE AGREEMENT

This Agreement including any specified attachments, constitutes the entire agreement between the Association and Agent with respect to the management and operation of the property and supersedes and replaces any and all previous management agreements entered into or/and negotiated be between the Association and Agent relating to the property covered by this Agreement. No change to this Agreement shall be valid unless made by supplemental written agreement executed and approved by the Association and Agent. Except as otherwise provided herein, all amendments, additions, or deletions to this Agreement shall be invalid unless approved by the Association and Agent in writing. Each party to this Agreement hereby acknowledges and agrees that the other party has made no warranties, representations, covenants or agreements, express or implied, to such party, other than those expressly set forth herein, and that each party, in entering into and executing this Agreement, has relied upon no warranties, representations, covenants or agreements, express or implied, to such party, other than those expressly set forth herein.

## 20. RIGHTS CUMULATIVE; NO WAIVER

No right or remedy herein conferred upon or reserved to either of the parties to this Agreement is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given under this Agreement or now or hereafter legally existing upon the occurrence

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of an event of default under this Agreement. The failure of either party to this Agreement to insist at any time upon the strict observance or performance of any of the provisions of this Agreement, or to exercise any right or remedy as provided in this Agreement, shall not impair any such right or remedy or be construed as a waiver or relinquishment of such right or remedy with respect to subsequent defaults. Every right and remedy given by this Agreement to the parties to it may be exercised from time to time and as often as may be deemed expedient by those parties.

## 21. APPLICABLE LAW AND PARTIAL INVALIDITY

The execution, interpretation and performance of this Agreement shall in all respects be controlled and governed by the laws of the State of Florida, and venue for any litigation shall be in Sarasota County, Florida. In any part of this Agreement shall be declared invalid or unenforceable, Agent or Association shall have the option to terminate this Agreement by written notice.

## 22. NOTICES

Any notice required or provided for in this Agreement shall be in writing and shall be addressed below or to such other address as Agent or the Association may specify hereafter in writing.

### A. TO AGENT:

SUNSTATE ASSOCIATION MANAGEMENT GROUP, INC.  
5602 Marquesas Circle #103 Sarasota, FL 34233

### B. TO THE ASSOCIATION(S):

PERIDIA ISLES HOMEOWNERS ASSOCIATION, INC  
4950 Peridia Blvd E., Bradenton, FL 34202

### C. DELIVERY OF NOTICES

Notices or other communications between the parties to this Agreement may be mailed by United States registered or certified mail, return receipt requested, and may be deposited in a United States Post Office or a depository regularly maintained by the post office. Such notices may also be delivered by hand or by any other receipted method or means permitted by law. For purposes of the Agreement, notices shall be deemed to have been "given" or "delivered" upon personal delivery thereof or forty- eight (48) hours after having been deposited in the United States mails as provided herein.

## 23. AGREEMENT BINDING ON SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Agent and the heirs, administrators, successors, and assigns of the Association. Notwithstanding the preceding sentence, Agent shall not assign its interest under this Agreement except in connection with the sale of all or substantially all of the assets of its business. In the event of such a sale, Agent shall be released from all liability under this Agreement upon the express assumption of such liability by its assignee. In the event of such a sale, Agent shall notify the Association in writing no less than sixty (60) days prior to the close of sale. If the Agent's corporation merges into another corporation, the rights and obligations of this Agreement shall remain in full force and effect only if the surviving corporation expressly assumes such rights and obligations at the time of the merger.

## 24. Any community ASSOCIATION management firm or other similar organization agrees by being licensed that it will employ only licensed persons in the direct provision of community ASSOCIATION management services.

Additionally any licensed Community ASSOCIATION Manager of Sunstate ASSOCIATION Management Group has agreed to keep all records of ASSOCIATION and management confidential. Consequently, if any Licensed Community ASSOCIATION Manager or employee but not limited to Accounting staff who wish to leave Sunstate to manage the ASSOCIATION; ASSOCIATION shall pay full contract price for one (1) year per person. All employees have attested that they are aware of all confidential information in ASSOCIATION files and management files are to be kept confidential.

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25. Per Florida Statute 468.436. Manager shall not contract on behalf of the association, with any entity in which the licensee has a financial interest unless previously disclosed to the Board of Directors at a Board of Directors meeting.

26. SIGNATURES

In witness whereof, the parties hereto have affixed or caused to be affixed their respective signatures this 4<sup>th</sup> day of April, 2019.

University Place Neighborhood Association, Inc.

By: \_\_\_\_\_

Association President

Sunstate Association Management Group, Inc.

By: \_\_\_\_\_

President / Director of Operations

UNIVERSITY PLACE NEIGHBORHOOD ASSOCIATION, INC.

Appendix A – Agent’s Compensation and Reimbursement Schedule

Monthly Contract Fee(s):	\$2,400.00 per month
	- Monthly financials
	- Weekly site visits
	- 1 - 2 hour Board or Committee Meeting - (12 per year).
<b>FEE LISTED IN THIS SECTION WILL BE APPROVED BY A BOARD MEMBER BEFORE BILLING</b>	
Additional Meetings	\$35.00/hr. for on-site Admin. As directed by the Board. All committee meetings, site events and legal meetings are an additional \$35.00 per hour.
Tax Preparation	Actual Cost – done by CPA.
Audits	Actual Cost
Photocopies /Faxes/Folders/Photos	.10 per page/.25 per folder/Direct cost for photos
Mailers: Annual and budget	Actual Printer costs - we use several local printers and buy in bulk actual.
Postage	Actual Cost
Envelopes	Actual Printer cost- we use several local printers and buy in bulk actual "Association Envelopes" with your name and logo on them.
Labels per page	\$1.00
Website	\$50.00 per month – no build fee if it is maintained and built by Sunstate
Storage of Archived Records	\$2.00 per box
Research of Archive Records	\$65.00 per hour
Research of Archival Records for litigation Purposes	\$50.00 per hour as directed by the Board
Bank Charges	Actual Cost
Special Assessment	\$250 per
State and local filings	\$86.25 fee for annual filing

**ALL FEES LISTED BELOW ARE AT NO ADDITIONAL COST TO THE ASSOCIATION BY MANAGEMENT**

**OFFICE ADMIN, TRAVEL AND FILINGS INCLUDED IN CONTRACT FEES:**

Collections of assessments	Included in contract
Compliance	Included in contract
Licensed Community Manager as well as Administrative Assistant	Included in contract
Owner Roster	Included in contract
Annual Calendar, Board Sheet and Action List	Included in contract
Paper clips, pencils, paper, staples and	Included in contract
Miscellaneous office supplies	Included in contract
Gas or mileage	Included in contract
Local phone calls and cell phone	Included in contract
Budget preparation without a meeting	Included in contract
Updates on legal /statute changes	Included in contract

*See contract for more items included in UNIVERSITY PLACE NEIGHBORHOOD ASSOCIATION, INC. contract for 2019.*

**BUYER / SELL FEES:**

Document Production / Estoppel	Paid by buyer/seller - \$250.00
Transfer Fee	Paid by buyer/seller - \$100.00
Site Visit	Paid by buyer/seller - \$65.00